

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Commission)
on its own motion seeking to)
investigate issues related to) Application No. 911-015/PI-106
the calculation and reimbursement)
of costs to carriers of implementing)
enhanced wireless 911 service)

COMMENTS BY ALLTEL COMMUNICATIONS OF NEBRASKA, INC. AND ALLTEL NEBRASKA, INC.

Alltel Communications of Nebraska, Inc. and Alltel Nebraska, Inc. (collectively, “Alltel”) respectfully submit these Comments in response to the Order issued August 30, 2005, in the above captioned docket, by the Nebraska Public Service Commission (“Commission”). Alltel appreciates the opportunity to comment in this proceeding.

The Commission has requested written comment on a number of issues related to the cost of enhanced wireless 911 service. Alltel respectfully submits the following in response to the Commissions questions:

- 1. How wireless carriers and local exchange carriers (LECs) determine costs related to implementing or providing enhanced wireless 911 service, both Phase I and Phase II. Please specifically comment on the basis for those costs (e.g. wireless towers, subscriber counts, access lines, etc.), what services are included in those costs, and any formulas used in the calculation of costs.**

Costs for Phase I are comprised of LEC trunking charges as well as IXC costs plus all third party vendor charges that are passed through to the State. Additionally, a per subscriber charge is also assessed as a database administration charge to recover Alltel’s internal cost of deployment. Phase II costs are calculated the same as above, with the addition of a charge for network elements (MPC and PDE equipment). The

cost of this equipment is allocated across the Alltel subscriber base to determine a monthly recurring as well a one-time charge. Additional third party cell site calibration charges are also incurred for Phase II deployments.

- 2. If you provide service in any other state, please explain whether your costs are calculated in the same way in those other states and if not, please explain how the calculations are different and why.**

Costs are calculated the same across all Alltel markets.

- 3. Indicate whether you receive cost recovery or any kind of subsidy for the purposes of providing or implementing wireless 911 service in any other state and the extent and basis of that cost recovery. Advise which states are involved and whether you receive full cost recovery or something less. If you do not receive full cost recovery, outline what costs are reimbursable.**

This varies by state and in some instances, when there is no cost recovery process at the state level, cost recovery is executed at the county and/or city level. Some states have partial or no cost recovery mechanism. When this occurs, the carriers have the option to initiate “self-recovery,” sometimes commonly referred to as “bill-and-keep.” This means the carriers recover the costs to deploy E-911 from their end-users. Alltel’s recommendation is that the Nebraska Commission determine the surcharge amount necessary to support the administrative costs for the state as well as any costs to support the jurisdictions and let the carriers self-recover these and their own costs from their end-users.

4. Whether a uniform calculation should be established for determining levels of cost recovery in Nebraska for enhanced wireless 911 service.

Alltel urges the Commission to consider a cost recovery methodology recently adopted in the State of Arkansas which will also become effective in the State of Michigan on 1/01/06. Under this model, Arkansas actually reduced the surcharge that carriers collect and remit, while allowing carriers to “self-recover”. Both the state surcharge as well as the “self-recovering charge” are shown as one line item on the end user’s bill.

5. Any other factors impacting the costs of implementing or providing enhanced wireless 911 service.

None that have not already been identified in item #1.

Conclusion

Alltel appreciates the opportunity to provide these comments to the Commission.

Respectfully submitted,

ALLTEL COMMUNICATIONS OF NEBRASKA, INC.

ALLTEL NEBRASKA, INC.

BY: _____

DATE: _____

